

# Taylor, Morell & Gitomer

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December 22, 1993

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Long Beach, CA 90802  
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RECORDATION NO. 18468-K

FILED 1425

Honorable Sidney L. Strickland, Jr.  
Secretary  
Interstate Commerce Commission  
Washington, DC 20423

DEC 22 1993 -3 40 PM

INTERSTATE COMMERCE COMMISSION

Dear Secretary Strickland:

I have enclosed three originals of the document described below, to be recorded pursuant to 49 U.S.C. § 11303.

The document is Lease Supplement No. 1, a secondary document, dated December 22, 1993. The primary document to which this is connected is recorded under Recordation No. 18468. We request that this document be recorded under Recordation No. 18468-K.

The names and addresses of the parties to Lease Supplement No. 1 are:

Lessee:

Southern Pacific Transportation Company  
One Market Plaza  
Room 666  
San Francisco, CA 94105

Lessor:

The CIT Group/Equipment Financing, Inc.  
1211 Avenue of the Americas  
21st Floor  
New York, NY 10036

A description of the equipment covered by Lease Supplement No. 1 consists of 89 100-ton quadruple hopper cars numbered as follows:

Former Prefix	Current Prefix	Car Number(s)
SP	CTRN	600002
SP	CTRN	600015
SP	CTRN	600022-600026, inclusive
SP	CTRN	600028

Honorable Sidney L. Strickland, Jr.  
December 22, 1993  
Page 2

SP	CTRN	600030-600033, inclusive
SP	CTRN	600036-600070, inclusive
SP	CTRN	600125
SP	CTRN	600140
SP	CTRN	600142
SP	CTRN	600143
SP	CTRN	600157
SP	CTRN	600168-600204, inclusive;

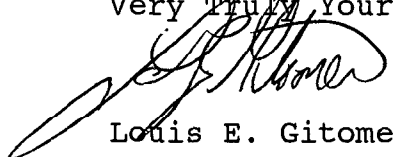
A fee of \$18.00 is enclosed. Please return two originals  
to:

Louis E. Gitomer  
Taylor, Morell & Gitomer  
Suite 210  
919 18th Street, N.W.  
Washington, DC 20006

A short summary of the document to appear in the index  
follows: Lease Supplement No. 1, between Southern Pacific  
Transportation Company, One Market Plaza, Room 666, San  
Francisco, CA 94105, and The CIT Group/Equipment Financing, Inc.,  
1211 Avenue of the Americas, 21st Floor, New York, NY 10036,  
covering 89 100-ton quadruple hopper cars numbered as follows:

Former Prefix	Current Prefix	Car Number(s)
SP	CTRN	600002
SP	CTRN	600015
SP	CTRN	600022-600026, inclusive
SP	CTRN	600028
SP	CTRN	600030-600033, inclusive
SP	CTRN	600036-600070, inclusive
SP	CTRN	600125
SP	CTRN	600140
SP	CTRN	600142
SP	CTRN	600143
SP	CTRN	600157
SP	CTRN	600168-600204, inclusive;

Very Truly Yours,



Louis E. Gitomer

Enclosure

LEASE SUPPLEMENT NO. 1 DEC 22 1993 -3 40 PM

INTERSTATE COMMERCE COMMISSION

LEASE SUPPLEMENT No. 1, dated December 22, 1993 (this "Lease Supplement"), between The CIT Group/Equipment Financing, Inc., a New York corporation ("Lessor"), and Southern Pacific Transportation Company, a Delaware corporation ("Lessee").

Lessee and AT&T Commercial Finance Corporation, a Delaware corporation ("Original Lessor"), have heretofore entered into that certain Equipment Lease Agreement, dated as of November 12, 1993 (the "Original Lease") pursuant to which Original Lessor leased certain railcars to Lessee, including 115 hopper cars leased pursuant to Lease Supplement No. 2 thereto. Original Lessor has assigned a portion of its interests under the Original Lease to Lessor, including its lease of 89 of the 115 hopper cars leased pursuant to Lease Supplement No. 2 thereto, which 89 hopper cars are identified as Items of Equipment herein. In connection therewith, Lessor and Lessee have entered into that certain Amended and Restated Equipment Lease Agreement, dated as of December 22, 1993 (as amended and supplemented from time to time, the "Lease Agreement"). This Lease Supplement (i) is delivered under and relates to the Lease Agreement and (ii) amends and restates Lease Supplement No. 2 to the Original Lease as it relates to the Items of Equipment covered hereby. Capitalized terms used herein without definition shall have the respective meanings set forth in the Lease Agreement.

1. This Lease Supplement relates to the Items of Equipment described below and the Lease Agreement is made a part hereof.

2. This Lease Supplement is being filed for recordation with the Interstate Commerce Commission.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt, adequacy and sufficiency of which is hereby acknowledged, Lessor and Lessee hereby agree as follows:

1. Lessor hereby delivers and leases to Lessee under the Lease Agreement and hereunder and Lessee hereby accepts and leases from Lessor under the Lease Agreement and hereunder eighty-nine (89) aluminum/steel 100-ton quadruple hopper cars designed for rotary or bottom dump service manufactured by Johnstown America Corporation ("Manufacturer") and identified on Schedule A hereto. Lessee acknowledges that Lessor has full right, title and interest of ownership in the Items of Equipment leased hereby, free and clear of any lien, claim, charge or other encumbrance other than the leasehold interest created in

. favor of Lessee pursuant to the Lease Agreement and hereunder.

2. As provided under Lease Supplement No. 2 to the Original Lease, the Commencement Date of the lease for the Items of Equipment leased hereby is November 12, 1993. The Initial Term for the Items of Equipment leased hereby shall commence on the Commencement Date and end on January 1, 2009.

3. Lessee shall pay to Lessor, in accordance with the terms of the Lease Agreement, as basic rent, Rental Payments with respect to the Initial Term of the lease for the Items of Equipment leased hereby in an amount set forth in Schedule B hereto on the Payment Dates set forth on Schedule B hereto.

4. Lessor's aggregate purchase price for all Items of Equipment leased hereby is \$4,362,865.44 and Lessor's purchase price for each Item of Equipment ("Per Item Purchase Price") is \$49,020.96. Lessee hereby represents and warrants to the Lessor that the aggregate purchase price and Per Item Purchase Price set forth above was the aggregate purchase price for the Items of Equipment and the purchase price for each Item of Equipment, respectively, that was payable by Lessee to Manufacturer under the Purchase Documents and the manufacturer of the wheels attached to such Items of Equipment under the related Purchase Documents. For purposes of the Lease Agreement and this Lease Supplement, the Stipulated Loss Value of each Item of Equipment shall be determined by multiplying the Stipulated Loss Value Percentage (as specified in Schedule C hereto) applicable to the applicable Succeeding Payment Date or Next Succeeding Payment Date, as defined in Section 13 of the Lease Agreement (in the event of a Loss) or in which payments upon an Event of Default are required by Lessor to be made (in the event of an Event of Default), by the Per Item Purchase Price.

5. Lessee hereby confirms to Lessor that Lessee has accepted the Items of Equipment leased hereby for all purposes hereof and of the Lease Agreement as being in good working order and repair and without defect or inherent vice in title, condition, design, operation or fitness for use; provided, however, that nothing contained herein or in the Lease Agreement shall in any way diminish or otherwise affect any right Lessee or Lessor may have with respect to the Equipment leased hereby against Manufacturer (or the manufacturer of the wheels) or any subcontractor or supplier of Manufacturer (or the manufacturer of the wheels), under the Purchase Documents or otherwise.

6. In the event that the financing of the Items of Equipment hereunder and/or any other Lease Supplement and

under the Lease Agreement is deemed by a court of competent jurisdiction to be a lease intended for security, to secure payment and performance of Lessee's obligations under the Lease Agreement and this Lease Supplement and all other Fundamental Agreements, Lessee grants Lessor and its assigns and their successors a first priority security interest in the Items of Equipment identified herein and in all attachments, accessories, additions, substitutions, products, replacements, rentals and proceeds (including insurance proceeds) therefrom (collectively, "Collateral"). Lessee shall execute and timely deliver to Lessor financing statements or any other documents Lessor deems necessary to perfect or protect Lessor's security interest in the Collateral. Lessor or Lessor's agent may file as a financing statement the Lease Agreement and/or this Lease Supplement (or copy thereof, where permitted by law) as Lessor deems necessary to perfect or protect Lessor's security interest in the Collateral. If Lessee fails to execute any such document, Lessor or Lessor's agent is hereby authorized to file any of the foregoing signed only by Lessor or Lessor's agent.

7. All of the terms and provisions of the Lease Agreement are hereby incorporated by reference in this Lease Supplement to the same extent as if fully set forth herein.

8. This Lease Supplement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

9. This Lease Supplement shall be governed by the internal laws (as opposed to conflicts of laws provisions) laws of the State of New York.

IN WITNESS WHEREOF, Lessor and Lessee have caused this Lease Supplement to be duly executed on the day and year first above written.

THE CIT GROUP/EQUIPMENT FINANCING, INC.

By: \_\_\_\_\_  
Name:  
Title:

SOUTHERN PACIFIC TRANSPORTATION COMPANY

By: \_\_\_\_\_  
Name:  
Title:

SCHEDULE A

Equipment description: aluminum/steel 100-ton quadruple hopper cars designed for rotary or bottom dump service

Manufactured by: Johnstown America Corporation

Car Numbers


CTRN 600002  
CTRN 600015  
CTRN 600022 - 600026, inclusive  
CTRN 600028  
CTRN 600030 - 600033, inclusive  
CTRN 600036 - 600070, inclusive  
CTRN 600125  
CTRN 600140  
CTRN 600142  
CTRN 600143  
CTRN 600157  
CTRN 600168 - 6000204, inclusive

IN WITNESS WHEREOF, Lessor and Lessee have caused this Lease Supplement to be duly executed on the day and year first above written.

THE CIT GROUP/EQUIPMENT FINANCING, INC.

By: 

Name: 

Title: 

SOUTHERN PACIFIC TRANSPORTATION COMPANY

By: \_\_\_\_\_

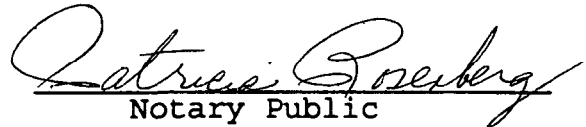
Name: \_\_\_\_\_

Title: \_\_\_\_\_



State of New York )  
 )  
County of \_\_\_\_\_ )

On this \_\_\_\_ day of December, 1993, before me personally appeared, \_\_\_\_\_, to me personally known, who being by me duly sworn, says that (s)he is the \_\_\_\_\_ of THE CIT GROUP/EQUIPMENT FINANCING, INC., that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on December \_\_, 1993 on behalf of said corporation by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

  
Notary Public

PATRICIA ROSENBERG  
Notary Public, State of New York  
No 4769477  
Qualified in Kings County  
Commission Expires Feb 28, 1995

[Notarial Seal]

My commission expires \_\_\_\_\_.



IN WITNESS WHEREOF, Lessor and Lessee have caused this Lease Supplement to be duly executed on the day and year first above written.

THE CIT GROUP/EQUIPMENT FINANCING, INC.

By: \_\_\_\_\_  
Name:  
Title:

SOUTHERN PACIFIC TRANSPORTATION COMPANY

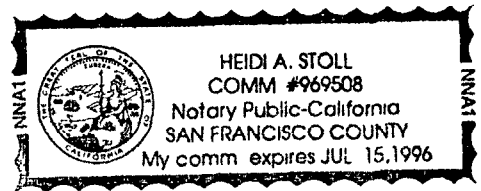
By: *S. Cleburne*  
Name:  
Title:

State of California        )  
                                  )  
County of San Francisco )

On December 22, 1993, before me, Heidi A Stoll, Notary Public, personally appeared L. C. Yarberry, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Heidi A. Stoll



## LEASE SUPPLEMENT NO. 1

## Schedule B

page 1 of 3

Rental Payment Date	Rental
-----	-----
03-Jan-94	56,978.08
01-Apr-94	104,653.62
01-Jul-94	104,653.62
01-Oct-94	104,653.62
01-Jan-95	104,653.62
01-Apr-95	104,653.62
01-Jul-95	104,653.62
01-Oct-95	104,653.62
01-Jan-96	104,653.62
01-Apr-96	104,653.62
01-Jul-96	104,653.62
01-Oct-96	104,653.62
01-Jan-97	104,653.62
01-Apr-97	104,653.62
01-Jul-97	104,653.62
01-Oct-97	104,653.62
01-Jan-98	104,653.62
01-Apr-98	104,653.62
01-Jul-98	104,653.62

Accepted and Agreed To:

(Initials): Southern Pacific:

CIT: 

## LEASE SUPPLEMENT NO. 1

## Schedule B

page 2 of 3

Rental Payment Date	Rental
-----	-----
01-Oct-98	104,653.62
01-Jan-99	104,653.62
01-Apr-99	104,653.62
01-Jul-99	104,653.62
01-Oct-99	104,653.62
01-Jan-2000	104,653.62
01-Apr-2000	104,653.62
01-Jul-2000	104,653.62
01-Oct-2000	104,653.62
01-Jan-2001	104,653.62
01-Apr-2001	104,653.62
01-Jul-2001	104,653.62
01-Oct-2001	104,653.62
01-Jan-2002	104,653.62
01-Apr-2002	104,653.62
01-Jul-2002	104,653.62
01-Oct-2002	104,653.62
01-Jan-2003	104,653.62
01-Apr-2003	104,653.62
01-Jul-2003	104,653.62
01-Oct-2003	104,653.62

Accepted and Agreed To:

(Initials): Southern Pacific:

CIT: 

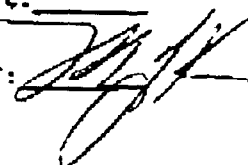
LEASE SUPPLEMENT NO. 1  
Schedule 8  
page 3 of 3

Rental Payment Date -----	Rental -----
01-Jan-2004	104,653.62
01-Apr-2004	104,653.62
01-Jul-2004	104,653.62
01-Oct-2004	104,653.62
01-Jan-2005	104,653.62
01-Apr-2005	104,653.62
01-Jul-2005	104,653.62
01-Oct-2005	104,653.62
01-Jan-2006	104,653.62
01-Apr-2006	104,653.62
01-Jul-2006	104,653.62
01-Oct-2006	104,653.62
01-Jan-2007	104,653.62
01-Apr-2007	104,653.62
01-Jul-2007	104,653.62
01-Oct-2007	104,653.62
01-Jan-2008	104,653.62
01-Apr-2008	104,653.62
01-Jul-2008	104,653.62
01-Oct-2008	104,653.62
01-Jan-2009	104,653.62

Accepted and Agreed To:

(Initials): Southern Pacific:

CIT:

A handwritten signature in black ink, appearing to be "J. H. K.", is written over the "CIT:" label.

Lease Supplement No. 1  
Schedule "C"

Lease Quarter with respect to which SLV is to be determined	Stipulated Loss Value (%)	Lease Quarter with respect to which SLV is to be determined	Stipulated Loss Value (%)
1	106.201911%	31	95.775540%
2	106.476269%	32	94.938831%
3	106.661437%	33	94.072846%
4	106.794116%	34	93.185156%
5	106.873947%	35	92.290340%
6	106.909007%	36	91.369641%
7	106.894875%	37	90.414932%
8	106.836066%	38	89.437042%
9	106.728057%	39	88.442958%
10	106.582989%	40	87.426327%
11	106.401560%	41	86.391349%
12	106.183603%	42	85.333291%
13	105.924726%	43	84.268593%
14	105.634034%	44	83.184349%
15	105.315877%	45	82.080695%
16	104.966287%	46	80.952880%
17	104.580479%	47	79.817328%
18	104.166282%	48	78.661115%
19	103.723339%	49	77.484359%
20	103.246145%	50	76.282294%
21	102.729016%	51	75.071323%
22	102.181378%	52	73.838505%
23	101.602943%	53	72.583940%
24	100.988102%	54	71.302841%
25	100.331134%	55	70.011593%
26	99.641409%	56	68.697236%
27	98.927518%	57	67.359849%
28	98.180853%	58	65.994624%
29	97.397014%	59	64.617928%
30	96.589335%	60	63.207612%

Accepted and Agreed to:

(Initials): Southern Pacific:

SP: 